

**STATEMENT OF NET ASSETS**  
**DECEMBER 31, 2007**  
(IN THOUSANDS)

	<b>Primary Government</b>			
	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>	<b>Component Units</b>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 841,775	\$ 770,727	\$ 1,612,502	\$ 266,125
Investments	3,435	-	3,435	23,506
Receivables, net	193,600	150,198	343,798	115,808
Due from primary government	-	-	-	1,381
Internal balances	15,697	(15,697)	-	-
Inventories	1,854	20,261	22,115	5,413
Prepayments and other assets	14,364	2,564	16,928	1,612
Capital assets				
Land	735,884	331,984	1,067,868	40,084
Infrastructure	927,868	-	927,868	-
Buildings	755,015	1,073,609	1,828,624	678,909
Improvements other than buildings	20,991	2,067,154	2,088,145	25,446
Furniture, machinery and equipment	225,066	1,418,964	1,644,030	280,069
Accumulated depreciation	(363,980)	(2,138,716)	(2,502,696)	(381,735)
Work in progress	115,593	1,370,277	1,485,870	163,396
Deferred charges	9,865	20,423	30,288	-
Deposits with other governments	-	-	-	600
Prepaid rent	-	3,222	3,222	-
Other assets	-	-	-	12,735
<b>TOTAL ASSETS</b>	<b>3,497,027</b>	<b>5,074,970</b>	<b>8,571,997</b>	<b>1,233,349</b>
<b>LIABILITIES</b>				
Accounts payable and other current liabilities	103,550	78,134	181,684	60,462
Due to component unit	1,381	-	1,381	-
Accrued liabilities	37,646	70,931	108,577	32,376
Notes payable	44,268	100,000	144,268	-
Unearned revenues	35,274	43,358	78,632	6,243
Noncurrent liabilities				
Due within one year	178,568	64,043	242,611	3,940
Due in more than one year	1,297,190	2,594,421	3,891,611	60,049
<b>TOTAL LIABILITIES</b>	<b>1,697,877</b>	<b>2,950,887</b>	<b>4,648,764</b>	<b>163,070</b>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	1,762,158	1,551,017	3,313,175	751,621
Restricted for:				
Capital projects	168,095	370,582	538,677	-
Debt service	72,048	43,444	115,492	-
General government	15,960	-	15,960	-
Law, safety and justice	50,884	-	50,884	-
Physical environment	1,949	-	1,949	-
Economic environment	49,923	-	49,923	-
Mental and physical health	29,231	-	29,231	-
Culture and recreation	6,842	-	6,842	-
Litigation	-	5,092	5,092	-
Expendable	-	-	-	103,356
Nonexpendable	-	-	-	21,025
Unrestricted	(357,940)	153,948	(203,992)	194,277
<b>TOTAL NET ASSETS</b>	<b>\$ 1,799,150</b>	<b>\$ 2,124,083</b>	<b>\$ 3,923,233</b>	<b>\$ 1,070,279</b>

The notes to the financial statements are an integral part of this statement.

**KING COUNTY, WASHINGTON**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**  
(IN THOUSANDS)

Functions/Programs	Program Revenues					Net (Expense) Revenue and Changes in Net Assets			Component Units Total
	Expenses	Indirect Expenses Allocation	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
						Governmental Activities	Business-type Activities	Total	
Primary government:									
Governmental activities:									
General government	\$ 160,274	\$ (64,410)	\$ 65,440	\$ 4,010	\$ 1,010	\$ (25,404)	\$	\$ (25,404)	\$
Law, safety & justice	512,342	32,496	125,103	33,675	-	(386,060)		(386,060)	
Physical environment	62,274	1,052	44,564	2,033	5,406	(11,323)		(11,323)	
Transportation	105,091	2,380	17,003	18,100	76,403	4,035		4,035	
Economic environment	92,783	1,772	48,586	21,635	-	(24,334)		(24,334)	
Mental & physical health	375,033	6,253	226,341	95,420	-	(59,525)		(59,525)	
Culture & recreation	49,435	665	7,264	608	89	(42,139)		(42,139)	
Interest and other debt service costs	53,299	-	4,864	4,734	-	(43,701)		(43,701)	
Total governmental activities	1,410,531	(19,792)	539,165	180,215	82,908	(588,451)		(588,451)	
Business-type activities:									
Airport	14,276	344	13,921	-	2,533		1,834	1,834	
Public Transportation	574,091	14,143	160,231	55,771	11,431		(360,801)	(360,801)	
Solid Waste	113,922	2,330	93,376	-	690		(22,186)	(22,186)	
Water Quality	239,906	2,902	264,440	-	1,164		22,796	22,796	
Institutional Network	4,160	50	3,060	-	17		(1,133)	(1,133)	
Radio Communications Services	3,792	23	3,763	-	11		(41)	(41)	
Total business-type activities	950,147	19,792	538,791	55,771	15,846	-	(359,531)	(359,531)	
Total primary government	\$ 2,360,678	\$ -	\$ 1,077,956	\$ 235,986	\$ 98,754	(588,451)	(359,531)	(947,982)	
Component units	\$ 592,953		\$ 565,676	\$ 24,095	\$ 9,606				6,424
General revenues									
Property taxes						499,339	-	499,339	-
Retail sales and use taxes						164,804	442,042	606,846	-
Business and other taxes						53,745	-	53,745	-
Penalties and interest - delinquent taxes						15,611	-	15,611	-
Interest earnings						36,348	22,718	59,066	12,167
Transfers						1,200	(1,200)	-	-
Total general revenues and transfers						771,047	463,560	1,234,607	12,167
Change in net assets						182,596	104,029	286,625	18,591
Net assets - January 1, 2007 (Restated)						1,616,554	2,020,054	3,636,608	1,051,688
Net assets - December 31, 2007						\$ 1,799,150	\$ 2,124,083	\$ 3,923,233	\$ 1,070,279

The notes to the financial statements are an integral part of this statement.